GOVERNMENT OF INDIA
FINANCE
LOK SABHA

STARRED QUESTION NO:238
ANSWERED ON:18.03.2005
SEIZURE OF FAKE CURRENCY NOTES
Chowdhury Shri Adhir Ranjan;Nikhil Kumar Shri

Will the Minister of FINANCE be pleased to state:

(a) whether DRI has recently seized fake Indian currency worth several lakhs from foreign nationals in the capital of India;

(b) if so, the details in this regard;

(c) whether some of the neighboring countries are routing fake currency to weaken the economy of the country;

(d) if so, the impact of fake currency on the economy of the country; and

(e) the steps taken by the Government to check circulation of fake currency in the country ?

Answer

MINISTER OF FINANCE(SHRI P.CHIADAMBARAM)

(a) to (e) A Statement is laid on the Table of the House.

Statement referred to in reply to Starred Question No.238 for answer in the Lok Sabha on 18.3.2005

(a) to (e): As per information furnished by the Directorate of Revenue Intelligence (DRI), they have recently seized Fake Indian Currency Notes (FICN) worth Rs.45.98 lakhs from two Bangladeshi nationals in the capital. The Bangladeshi nationals and two local persons of Delhi, to whom the FICN were to be delivered, are in police custody and the case is under investigation by the CBI.

Instances have come to notice of the Government pointing to the involvement of some neighboring counties routing FICN through their borders. However, FICN detected at RBI offices and bank branches in the country is minuscule as compared to the total volume of Indian Bank notes in circulation.

A number of steps have been taken to curb circulation of FICN in the country which include stepping up of vigilance by BSF/Custom authorities to prevent smuggling of fake notes in the country, training and sensitization of law enforcement agencies, dissemination of information on security features through print and electronic media for the benefit of public etc. Further, based on the recommendations of a High Level Committee some additional security features have been approved for incorporation in the Indian Bank notes which shall make counterfeiting a difficult task. In addition, the Government of India has nominated CBI as the Nodal agency to monitor investigation of fake currency note cases and in tackling such crimes.